



The State of Utah

Department of  
Natural Resources

Division of  
Oil, Gas & Mining

ROBERT L. MORGAN  
*Executive Director*

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*Governor*

GAYLE F. McKEACHNIE  
*Lieutenant Governor*

**Representatives Present During the Inspection:**

Company	Jay Marshall	Resident Agent
OGM	Dave Darby	Environmental Scientist III
OGM	Karl Houskeeper	Environmental Scientist III

## Inspection Report

Permit Number:	C0070013
Inspection Type:	COMPLETE
Inspection Date:	Thursday, March 25, 2004
Start Date/Time:	03/25/2004 9:00:00 AM
End Date/Time:	03/25/2004 2:00:00 PM
Last Inspection:	Thursday, December 04, 2003

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Clear, ~Temp 68 Deg F

InspectionID Report Number: 215

Accepted by: pgrubaug  
03/30/2004

Permittee: **UTAHAMERICAN ENERGY INC**

Operator: **UTAHAMERICAN ENERGY INC**

Site: **HORSE CANYON MINE**

Address: **PO BOX 986, PRICE UT 84501**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

**Current Acreages**

6,032.07	Total Permitted
122.49	Total Disturbed
61.65	Phase I
	Phase II
	Phase III

**Mineral Ownership**

- ☒ Federal
- ☒ State
- ☒ County
- ☒ Fee
- ☐ Other

**Types of Operations**

- ☒ Underground
- ☐ Surface
- ☒ Loadout
- ☐ Processing
- ☐ Reprocessing

**Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:**

Permitting actions: Permit lease modification for Lila Canyon can is undergoing a completeness review.

**Inspector's Signature:** \_\_\_\_\_

**Date** Thursday, March 25, 2004

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

**Note:** This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining

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## Inspection Continuation Sheet

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### **REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENT**

1. *Substantiate the elements on this inspection by checking the appropriate performance standard.*
  - a. *For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.*
  - b. *For PARTIAL inspections check only the elements evaluated.*
2. *Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.*
3. *Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.*
4. *Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.*

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**1. Permits, Change, Transfer, Renewal, Sale**

The DOGM permit expires 05/06/2006. Other documents include the following:

- Certificate of Insurance terminates 06/01/2004.
- UPDES permit UTG040013 expires midnight 04/30/2008, (Horse Canyon Mine).
- UPDES permit UTG040024 expires midnight 04/30/2008, (Lila Canyon Mine).
- Air Quality Permit DAQE-702-99.

The status of the mine site is Phase II Bond Release. The inspection frequency for this mine site is quarterly.

**2. Signs and Markers**

Checked the ID sign at the public accesses to the facilities area. The ID signs give the phone number of the new resident agent. The other signs and markers viewed meet the coal rules.

**4.a Hydrologic Balance: Diversions**

Work on the diversion channel west of the old refuse pile site is scheduled for the first two weeks in April. These items were identified during the midterm review, but were placed on hold due to winter conditions.

**4.b Hydrologic Balance: Sediment Ponds and Impoundments**

The silt fence and small erosional channel by the reclaimed sediment pond are scheduled for repair the first two weeks of April.

**4.c Hydrologic Balance: Other Sediment Control Measures**

The silt fences by the diversion west of the old refuse pile, by the reclaimed sediment pond, and at the water storage tank are scheduled for repair during the first two weeks in April.

**4.d Hydrologic Balance: Water Monitoring**

Water monitoring for fourth quarter 2003 is in the EDI website and uploaded. Access to water monitoring points in the proposed permit lease modification on top of the mountain are inaccessible to a large snow avalanche/slide across the road. This area was viewed during the inspection and is not mining related.

**4.e Hydrologic Balance: Effluent Limitations**

The January and February discharge monitoring reports were reviewed for both Horse Canyon and Lila Canyon UPDES permits. No discharge occurred from any of the outfalls for January or February.

**20. Air Quality Permit**

Air quality permit DAQE-702-99 was issued on August 27, 1999 and remains in effect.

**21. Bonding and Insurance**

Bond number SUR004892 for \$1,137,726 was increased to \$1,253,000 on January 24, 2001. Phase II Bond Release was approved on February 12, 2003, which dropped the bond by \$191,672. The current bond is now \$1,061,328. The bond is through Lincoln General Insurance Co. This Bond is for Part A (Horse Canyon).

Bond number SB9905586 is for Part B (Lila Canyon Extension). The Bond amount is \$1,556,000 from XL Specialty Insurance. The Lila Canyon Extension has been submitted to the Division and is currently under review.

Insurance is through Federal Insurance Company policy # 37104410. The insurance was issued on 06/01/2003 and expires on 06/01/2004. Explosive coverage is noted. The minimum coverage is met and the certificate holder is listed as the State of Utah, Division of Oil, Gas and Mining. The operator was made aware of the expiration date.